

CYNGOR SIR POWYS COUNTY COUNCIL.

**PORTFOLIO HOLDER DECISION
February 2012**

REPORT AUTHOR: Trading Standards Manager (Montgomeryshire)

SUBJECT: Animal Health and Welfare Enforcement – Funding

REPORT FOR: Information

Summary

This report provides information for members on the pressures that the Trading Standards Service is facing in relation to the future funding of its Animal Health Service.

The enforcement of the laws on the health and welfare of farmed animals is undertaken by the Trading Standards Service within the authority. In the aftermath of the Foot and Mouth Disease in 2001 which economically devastated the UK, the Government requested local authorities to increase their activities in the areas of critical importance within the sector and funded this directly to the service.

The table below shows how the funding has decreased since 2007/8 from approx £284,000 to the current years level (11/12) of £161,000,

	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12
£'000	271	284	253	262	253	161

In 2011 DEFRA delegated the funding arrangements to the Welsh Assembly Government but with a 37% reduction on the previous years amount. Funding subsequently allocated to local authorities was reduced in line, with Powys Council taking the largest cut in Wales (some £93,000). This was agreed by all authorities on the basis that a reformulation of the funding, based on authority work loads, would take place prior to the 2011/12 allocation.

The recognition that there was inequality in the distribution of funds between authorities based on their workloads certainly applied to Powys County Council which has the most gatherings of animals, most movements of animals, more dealers, hauliers and consequently the most enforcement activities in Wales. Proportionately we received approximately 12% of the funding allocated in Wales but conducted around 33% of the activities.

Detailed discussions took place in October / November 2011 aimed at fairer distribution of funds amongst Welsh Authorities and it was agreed that funding changes would occur for the forthcoming 3 year period but that these should be tapered to avoid some authorities taking huge hits to their budgets and

from having to make drastic staff reductions. It was agreed that the funding would be based on the number of animal movements in and out of counties, together with the activities conducted at Critical Control Points within each authority.

The tapering effect is shown in the table below demonstrating a slight rise over and above the 11/12 allocation for the next 2 years, but then a decrease down to £145k in 14/15. Members should note that next years funding is still some £83,000 LESS than the amount received in 2010/11

	2011/12	2012/13	2013/14	2014/15
All Wales Allocation £'000	1,200	1,000	800	600
PCC Allocation £'000	161	170	165	145

Attached as Appendix 1 is the funding allocation letter sent to all authorities for the 3 year period.

ACTIONS TAKEN SO FAR

Staff Reductions - There have been several staff reductions from natural wastage and some slippage through maternity leave within the animal health service which has reduced costs within the service.

Increased Income - through an innovative arrangement with Shropshire Council regarding the entering of their sheep movements onto the national database for which we have received considerable income and increased the efficiency of our Licensing operation which is based in the Brecon Office. No other such arrangement exists in Wales and we have now approached several other Welsh authorities to offer the same arrangement, which is being considered at present.

Potential Future Activities - We have been approached by a South East Wales authority to consider whether we can deliver their Animal Health Service in its entirety. That authorities funding has been so severely cut that it cannot run a viable animal health service but sees our expertise, availability of trained staff and our animal licensing operation as a service they can `buy in`. Discussions are currently underway but it is thought that there is a viable business case for undertaking this work on their behalf. This will protect Powys jobs and lead to greater efficiencies for both authorities.

Reassessment of Work - Naturally, the Action Plan submitted to Welsh Government will reflect the overall reduction in funds, and many animal gatherings previously attended will not now be visited by officers, particularly out of normal working hours.

Proposal

The current funding of the Animal Health section is not fully covered by the allocation of funds from the Welsh Government, there being a shortfall of some £6,000 in year 1, £11,000 in year 2 and £30,000 in year 3. The proposed arrangement to deliver animal health services on behalf of the South East Wales authority will realise sufficient income to cover the shortfall for the next 2 years, and still deliver the required work for that authority.

As stated previously, the service has already lost some posts from its staffing levels and is now perceived to be at the absolute minimum staffing level to deliver an effective animal health service within the County. There is concern that a disease outbreak might result in an unsatisfactory response and for this reason it is proposed that the staffing levels are not reduced any further and that the authority should support the service in its attempt to increase income or be prepared to financially support the service from central funds.

There is concern that lack of attendance at many of the markets will lead to a rise in the number of welfare problems encountered, which will also lead to increased officer time investigating these incidences/premises. The AH service has a critical tipping point at which enforcement is negated due to lack of capacity and the concern is that the welfare standards that are currently higher than ever will suffer.

Powys Change Plan

The role of the Trading Standards Services` animal health section is critical to ensuring a fair and level playing field for farmers and landholders within the County, enabling a trading environment which encourages investment in the farming industry in Powys.

The ability to effectively respond to a disease outbreak is a vital component in enabling the prevention of the spread of disease, controlling the areas of the county where disease exists and in aiding the recovery from such a devastating event. In 2007, Wales was released first from the movement standstills imposed by DEFRA because of the controls it had in place in preventing the movements of animals at a time where the source of the disease was not known at the time. The Trading Standards service is a key component in the PCPs aim to “develop the agriculture sector in Powys into a dynamic and competitive sector” in ensuring that the health and welfare of animals is maintained and improved in order to maximise prices paid through well run and policed markets, through farm inspections and checks on records and transportation of livestock.

The animal health sector also ensures that food chain integrity is maintained and that the identity and traceability of animals is secure

Options Considered/Available

Option1 Reduce the animal health service staffing levels to reflect the cut in grant funding received from Welsh Government.

Option 2 Maintain current staffing levels and undertake additional paid work on behalf of other authorities to protect and enhance our ability to respond to a disease outbreak. We will continue with discussions about collaborative delivery of animal health services in Wales and endeavour to make Powys a centre of excellence in this field.

Preferred Choice and Reasons

OPTION 2 provides the authority with the capability and stability needed for the forthcoming period, enabling the Animal Health service to be sustained at present levels of staffing and therefore enabling a resilient service in the event of a disease outbreak.

Sustainability and Environmental Issues/Equalities/Crime and Disorder,/Welsh Language/Other Policies etc

N/A

Children and Young People's Impact Statement - Safeguarding and Wellbeing

N/A

Local Member(s)

This paper relates to the whole of Powys.

Other Front Line Services

N/A

Support Services (Legal, Finance, HR, ICT, BPU)

The Service Accountant can confirm that Finance have been involved in the analysis and reconfiguration of the service budgets going forward with the Trading Standards Manager based on the funding figures from WG for 12/13 onwards. Trading Standards has attracted an income of approx £18,000 through its data entry project with Shropshire and this is continuing for the 2012/13 year and that discussion has taken place about a purchased in option

with South East Wales authority that will also realise a net benefit to the service.

Local Service Board/Partnerships/Stakeholders etc

N/A

Communications

N/A

Statutory Officers

Strategic Director, Finance & Infrastructure (Section 151 Officer) – is in agreement with the Report as long as Option 2 is viable.

The view of the Strategic Director, Law & Governance is that:

The Trading Standards service has already seen significant cuts to its animal health service and is at the point where further cuts represents a significant risk to the authority should a disease outbreak occur and Powys farmers are involved. I support the Service`s attempt to maximise income and explore collaborative arrangements with other authorities. The Department has been bold in its actions with Shropshire Council and are obviously seen as a leading light in animal health matters in Wales and should be supported.

Recommendation:	Reason for Recommendation:
That the financial pressures on the Trading Standards Service are noted and the option to undertake additional Work on behalf of other authorities is supported	The current service capability will continue to be maintained and further collaborative arrangements explored

Relevant Policy (ies):			
Within Policy:	Y / N	Within Budget:	Y / N

Relevant Local Member(s):	
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Person(s) To Implement Decision:	
Date By When Decision To Be Implemented:	

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Background Papers used to prepare Report:

Appendix 1 Letter to Chief Executives dated 23rd December 2011

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